III. REMARKS

Claims 1-39 and 41 are pending in this application. By this amendment, claims 1, 21, 30, 39 and 41 have been amended. Applicants do not acquiesce in the correctness of the rejections and reserve the right to present specific arguments regarding any rejected claims not specifically addressed. Further, Applicants reserve the right to pursue the full scope of the subject matter of the original claims in a subsequent patent application that claims priority to the instant application. Reconsideration in view of the following remarks is respectfully requested.

A. NON-STATUTORY SUBJECT MATTER

In the Office Action, claim 41 is rejected under 35 U.S.C. §101 as allegedly being directed to non-statutory subject matter. The Office asserts that the main body of claim 41 recites only program code. As a result, the Office implies that the claim body must recite an implementation of hardware to comply with 35 U.S.C. 101. However, Applicants assert that the PTO Board of Appeals ruling in In re Lundgren abolished the technical arts test that the Office uses as justification for its rejection under 35 U.S.C. §101. Furthermore, the current USPTO Interim Guidelines on Patentable Subject matter expressly state, "The following tests are not to be applied by examiners in determining whether the claimed invention is patent cligible subject matter: (A) "not in the technological arts" test (B) Freeman-Walter-Abele test (C) mental step or human step tests (D) the machine implemented test (E) the per se data transformation test."

Accordingly, Applicants submit that the rejection is improperly based upon the rejected machine implementation test. Furthermore, Applicants submit that the body of claim 41 is not program code per se. Rather, the body of claim 41 recites a series of steps actuated by program code

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embodied on a recordable medium. Therefore, Applicants request that the rejection be withdrawn.

B. REJECTION OF CLAIMS 1-4, 11-12, 14-19, 30-36, 38-39, and 41 UNDER 35 U.S.C. 102(e)

In the Office action, independent claims 1, 30, 39, and 41 are rejected under 35 U.S.C. 102(e) as allegedly being anticipated by Keller et al. (US 2002/0102028), hereinafter "Keller." Reconsideration in view of the following remarks is respectfully requested.

With respect to amended claims 1, 21, 30, 39 and 41, Applicants submit that Keller fails to disclose, inter alia, "wherein the step of reducing includes replacing the image with a sizereduced image version such that the size-reduced image version is the only version of the image stored in the database." (See claim 1, and as similarly recited in claims 21, 30, 39 and 41.) Interpreting Keller only for purposes of this response, Applicants submit that Keller discloses three versions (S org, S1, and S2) of image data S stored in temporary storage medium. See ¶ 0061. Keller teaches, "...at the same time that image data S org, S1 and S2 are stored in temporary storage medium 11, original image data S org can be stored in archive." Id. Accordingly, the number of image versions in Keller can be as high as four. Every version of image 'S' is stored in memory and available for selection. In contrast, the claimed invention recites, inter alia, "...wherein the step of reducing includes replacing the image with a sizereduced image version such that the size-reduced image version is the only version of the image stored in the database." See claim 1. In the present invention, reduction includes reducing and replacement of the starting image with the size-reduced image. Only one image version is stored in the database at any given instant. Accordingly, data storage requirements are reduced because Page 11 of 14 09/939,066

the copy of the image is reduced and replaced, creating only two copies if an archive version is maintained and one copy if an archive version is not maintained. Keller fails to disclose this claimed feature. Accordingly, Applicants submit that Keller fails to disclose, *inter alia*, the step of reducing, including replacing the image with a size-reduced image version such that the size-reduced image is the only version of the image stored in the database. Therefore, Applicants respectfully request withdrawal of the rejection.

With respect to claim 2, Applicants submit that Keller fails to disclose, inter alia, repeating the step of reducing to reduce the storage size of the size-reduced image from one secondary level to another secondary level based on the reduction criteria. In support of its rejection, the Office asserts that Keller discloses, "[i]n the situation that reversibly compressed image replaces an original image, the further reduction in data size is done as compared with the reversibly compressed image." Office Action, at 4. In response, Applicants submit that Keller discloses compression of an original image only. Keller provides no disclosure of a size-reduced image that is further reduced/compressed. Instead, Keller teaches that original image data S org "is compressed into irreversible compressed image data in server computer 13, and irreversible compressed image data S1 and S2, each having a different compression ratio are created." See \$\frac{1}{2}\$ 0061. Each image (S1 and S2) is created from the original image, instead of a size-reduced image. Accordingly, Applicants submit that Keller fails to disclose, inter alia, reducing the storage size of the size-reduced image from one secondary level to another secondary level based on the reduction criteria. Therefore, Applicants respectfully request withdrawal of the rejection.

Claims 2-20 are dependent upon claim 1, and claims 31-38 are dependent upon claim 30.

Applicants submit that those dependent claims are allowable for the same reasons stated above, as well as for their own additional features.

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C. REJECTION OF CLAIMS 21-23 AND 25-29 UNDER 35 U.S.C. 103(a)

The Office has rejected claims 21-23 and 25-29 under 35 U.S.C. 103(a) as allegedly being unpatentable over Keller in view of Morris et al. (US 5,153,936), hereinafter, "Morris." Reconsideration in view of the following remarks is respectfully requested.

Applicants submit that the combined references cited by the Office fail to teach or suggest each and every element of the claimed invention, including, "reducing the storage size of the image based on reduction criteria to create a size-reduced version, the size-reduced version replacing the image such that the size-reduced version is the only version of the image stored in the database." See claim 21. As discussed above, Applicants submit that Keller fails to disclose replacing the image with a single size-reduced image. Instead, Keller discloses at least three versions (S org, S1, and S2) of image data S stored in temporary storage medium. See ¶ 0061. Likewise, Morris discloses creating two identical lower resolution images, wherein the second lower resolution image is created from the original high-resolution data, if the first lower resolution image has been deleted. (Column 9, lines 37-53) Accordingly, Applicants submit that both Keller and Morris fail to teach or suggest the step of reducing the storage size of the image based on reduction criteria to create a size-reduced version, the size-reduced version replacing the image such that the size-reduced version is the only version of the image stored in the database. Therefore, Applicants submit that the Office has failed to establish a prima facie case of obviousness because both prior art references fail teach or suggest all the claim limitations. Accordingly, Applicants respectfully request the withdrawal of the rejection.

Claims 22-23 and 25-29 are dependent upon claim 21. Applicants submit that those dependent claims are allowable for the same reasons stated above, as well as for their own additional features.

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IV. CONCLUSION

Applicants respectfully submit that the application is in condition for allowance. Should the Examiner believe that anything further is necessary to place the application in better condition for allowance, he is requested to contact Applicants' undersigned attorney at the telephone number listed below.

Respectfully submitted,

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Date: March 23, 2006

(DLP)

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